INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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Heavy Industry

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- a. A team of experts from the Hungarian electrical and radar industry visited Moscow in the middle of January 1955, and a team of metallurgical experts were due to go in the middle of February. These visits are thought to be the result of the Moscow Conference in November 1954, when the delegation is alleged to have brought back detailed instructions for the extension of various branches of the war industry.
- b. Up to the middle of February 1955, however, no increased activity had yet been noted at, for instance, the Rakosi Iron and Steelworks, or at Sztalinvaros. On the other hand, it was probably too soon for changes to have taken effect.

2. Sztalinváros

- a. The Sztalinváros investment plan for 1955 amounts to 600 million forints.
- b. The completion of buildings already planned is estimated at 2,400 million forints, but this will not include mechanical or electrical installations. This figure is therefore thought to represent work to be spread over more than one year.
- c. However, further construction work will depend on the import of sheet metal from abroad. There is no information yet of whence the sheet metal is to come.
- d. As an example of building deficiencies in Sztalinváros dwellings, when a death occurred recently it was found that the stairs were too narrow to allow the coffin either to be taken up or brought down that way, and the window had to be used.

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3. Steel

The quantity of steel issued to industry and consumers during 1954 was about one million tons. Of this quantity production accounted for only 650,000 tons, and the remainder came chiefly from reserves, only a very small amount being imported.

4. Coal Production

- a. The coal production plan for 1955 provides for a total of 21 million tons, which is a reduction on the 1954 plan (22 million tons). A total of 2.1 million tons has been allotted to the Hungarian State Railroads, also less than in 1954.
- b. Komló Mine: The top station of the funicular railroad, which had begun to slip, has somehow been anchored.

5. Kossuth Bridge in Budapest

Between the second and third piers, reckoned from the Buda side, the bridge has developed a sideways oscillation of about 10 mm. If the subway tunnel had been extended as far as this, it might have caused the bridge to collapse. Traffic over this bridge is kept at a minimum.

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